

Moran Opposes Energy Tax Legislation

Works to Protect Farmers, Families and Businesses from Cost Increases

WASHINGTON, D.C. - Congressman Jerry Moran made the following statement today opposing the National Energy Tax Legislation recently introduced by Congressmen Henry Waxman and Edward Markey of the House Energy and Commerce Committee. The Energy and Commerce Committee is considering the legislation this week.

"I am opposed to this legislation. This massive new energy tax will place significant economic stress on lower to middle-class families. In addition to raising energy taxes on Kansas families, this legislation will raise energy rates on industry, small businesses, agriculture producers and consumers. Certain studies show that electric bills alone could increase between \$200 to over \$1,000 per year for the average Kansas household. All manufactured goods - including automobiles and processed food items - along with everyday products - including shoes and plastics - will increase in cost.

"Unfortunately, our rural communities will bear the heaviest burden from this massive tax increase. Transportation costs will dramatically increase for families in rural communities who drive long distances for school, work or to obtain medical care. This increased energy tax will raise the cost of fuel, fertilizer and other agricultural inputs. Such increases will make agriculture production more expensive for our farmers who are already facing economic challenges and eventually lead to higher food prices.

“Although many believe there is potential for industries like agriculture to benefit from a cap and trade system by selling carbon offsets, this legislation does not specifically include such a provision for agriculture. Instead, it allows the Environmental Protection Agency (EPA) the option of defining who qualifies to sell carbon offsets, which are earned by storing carbon in the ground. This concerns me as the EPA has made a number of recent decisions unfriendly toward agriculture. Even if EPA allows agriculture producers the ability to sell carbon offsets, it is not likely that the revenue from the offsets will even come close to mitigating the increased cost of inputs that will result from this legislation.

“It is an irresponsible thing for Congress to propose legislation that will increase utility and production costs on Americans who are already feeling the effects of adverse economic conditions.”

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